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DEPARTMENT OF EDUCATION  
JUDY A. JEFFREY, DIRECTOR

**DATE:** March 12, 2009  
**TO:** Iowa K-12 Public School Administrators  
**FROM:** Judy Jeffrey, Iowa Department of Education Director  
**SUBJECT:** **The American Recovery and Reinvestment Act of 2009**

I am pleased to announce that the U.S. Department of Education has released initial guidance to the states on the American Recovery and Reinvestment Act of 2009 (ARRA). This means work has begun on the process of providing stimulus dollars to Iowa schools.

Please know that while we at the Iowa Department of Education are working quickly and cooperatively with other state and federal entities, *there is much work to be done.*

As this work begins, it is important that we in education clearly understand the principles behind the ARRA and our role in the federal stimulus package. Those principles include support for efforts to:

- Preserve and create jobs and promote recovery;
- Assist those most impacted by the recession; and
- Stabilize state and local government budgets in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

The success of the education part of the ARRA will depend on the shared commitment and responsibility of superintendents, principals, school board members, teachers, parents, and students. While the short-term goal is to stimulate the economy by investing quickly, education must also support the long-term economic goal of investing wisely.

During my recent visit to Washington, D.C., I heard directly from President Barack Obama, Vice President Joe Biden, and Secretary of Education Arne Duncan that the funds you will be provided must strengthen education, drive reforms, and improve results for students.

All of us in education must demonstrate how we are meeting the ARRA assurances by:

1. Spending funds quickly to save and create jobs;
2. Improving student achievement through school improvement reform;
3. Ensuring transparency, reporting, and accountability; and
4. Investing one-time ARRA funds thoughtfully to minimize the "funding cliff."

The Obama administration has challenged education to be at the forefront of change: leading all sectors in transparency and accountability in how these funds are used. *Districts will be required to account for these funds separately from other funding. The Department is required to report, on a quarterly basis, progress related to the above assurances. This will mean additional accountability and reporting for entities receiving stimulus funding. We all will be very closely audited about how these dollars are used.*

If Iowa schools are not transparent in how funds are being spent and do not provide evidence of innovation, improvement in student achievement, and wise investment, further funding incentives, such as the president's "Race to the Top" grants, will not be available to Iowa.

In addition, Iowa schools must show we are:

1. Making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including English language learners and students with disabilities;
2. Establishing pre-K to college and career data systems that track progress and foster continuous improvement;

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3. Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need;
4. Providing intensive support and effective interventions for the lowest-performing schools.

Iowa schools will receive funding under the following categories:

- State Fiscal Stabilization — Education
- IDEA Part B
- IDEA Preschool
- IDEA Part C
- Educational Technology
- Title I
- Vocational Rehabilitation

Iowa will receive \$472 million in stabilization fund dollars. Eighty-two percent of those funds must be used for education purposes. The Department is working daily with the Governor's Office, legislative leadership, and stakeholder groups in an effort to decide on the best use of those funds. It is likely that 67 percent of those funds will be released to Iowa sometime in early to mid-April.

It is also anticipated that districts will receive a portion of Special Education (IDEA) and Title I, Part A funds as early as April, with the remainder of funds coming in the fall. The Iowa Department of Education will provide district-specific allocations on its website notify you when it is posted, and provide guidance on fund expenditures.

The Department will continue to provide information to districts about ARRA on our website. We will have a specific ARRA webpage with guidance, FAQs, and allocation postings. In addition, we will continue to provide updates via email and in the *School Leader Update*.

At this time of great opportunity, we must be responsible in our actions, wise in our decisions, and clear in our intentions to help all Iowa students achieve success.